

## REMARKS

The foregoing amendments and the following remarks are responsive to the Final Office Action mailed July 29, 1999. Reconsideration of this application in light of these amendments is respectfully requested.

Claim 1 has been amended to more properly claim the present invention. Claims 2-10 remain pending. In addition, claims 11-20 have been added. Further, applicant acknowledges the Office Action's assertion that claims 4 and 7 are allowable.

Claims 1, 2 and 8 have been rejected under 35 U.S.C. § 102(b) as being anticipated by of U.S. Patent No. 4,972,480 of Lowell (Lowell). In addition, claims 3, 5, 6, 9 and 10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Lowell.

The claimed invention is patentable over Lowell. Lowell discloses a holographic communications device that modulates a single frequency or a narrow bandwidth signal(s). See Lowell at col. 4, ll. 23-30. The holographic communications device includes an encoder complex multiplexer (encoder) that is coupled to a pseudo noise generator. The encoder phase modulates complex signals by a pseudo random code signal that is produced by the pseudo noise generator (col. 4, ll. 39-68). Nevertheless, Lowell does not disclose or suggest encoding the pseudo random code signal based upon a value of the complex signals.

Claim 1 recites creating a first encoded pseudo-noise code, wherein the first encoded pseudo-noise code corresponds to a value of a signal to be transmitted. Although Lowell describes a pseudo random code signal, Lowell does not disclose or suggest such a pseudo random code signal corresponding to the value of a signal to be transmitted. Consequently, claim 1 and dependent claims 2, 3, 5, 6 and 8-10 are patentable in view of Lowell.

New claim 11 also recites creating a first encoded pseudo-noise code corresponding to a value of a signal to be transmitted. Therefore, for the reasons stated above with respect to claim 1, new claim 11 and dependent claims 12-20 are also patentable over Lowell.

For the foregoing reasons, applicant respectfully submits that the applicable objections and rejections have been overcome and that the claims are in condition for allowance.

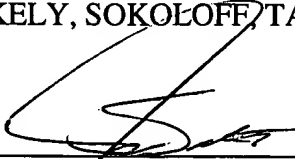
If there are any additional charges, please charge Deposit Account No. 02-2666.  
If a telephone interview would in any way expedite the prosecution of this application, the Examiner is invited to contact James H. Salter at (408) 720-8598.


Respectfully submitted,

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